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Annual Statistical Review--Preliminary Report
Food and Nutrition Programs
Fiscal Year 1975

U.S. Department of Agriculture
Food and Nutrition Service
FNS-145

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Preface

This preliminary review and analysis of Food and Nutrition Service programs covers their progress during fiscal year 1975. It is divided into two major program areas, Family Food Assistance and Child Nutrition, according to the contents.

FNS Program Reporting Staff
November, 1975

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Food Assistance Trends

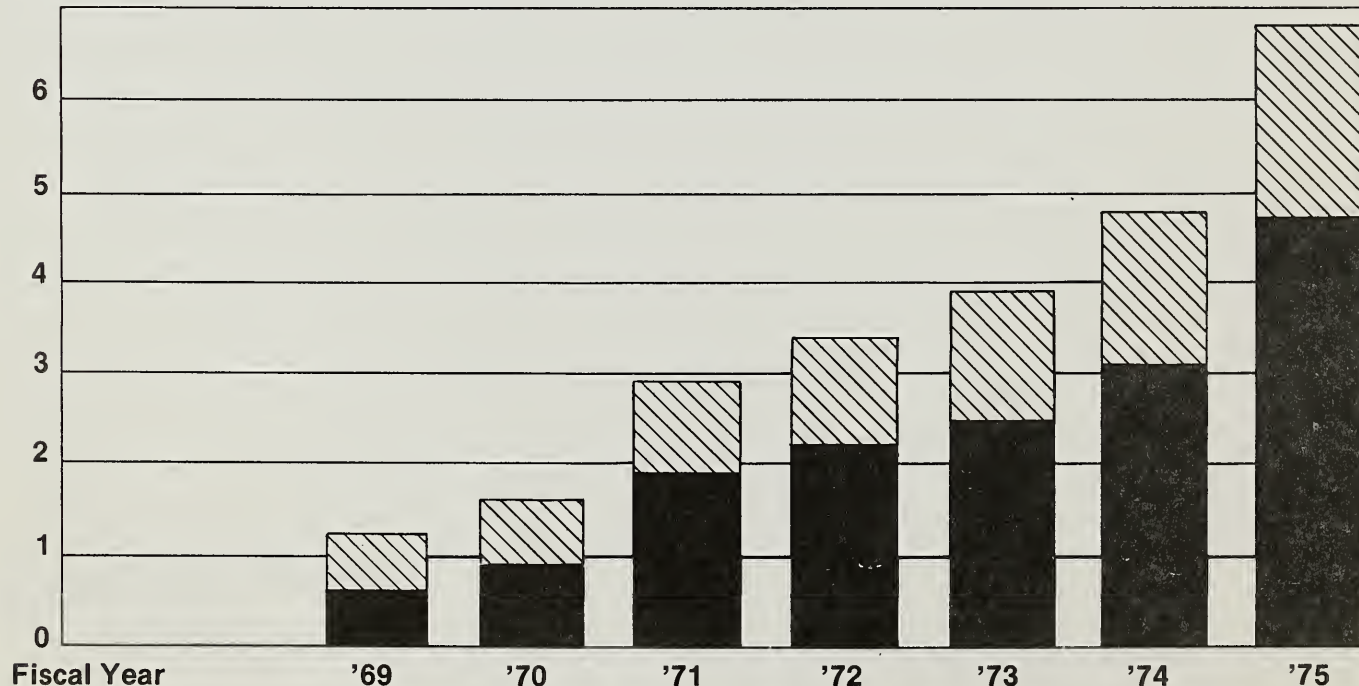
The Food and Nutrition Service was established in August 1969 to concentrate exclusively on the administration of Federal food programs.

Since then:

- Federal funding for food assistance activities has grown from around \$1 billion to over \$6.8 billion in fiscal year 1975, the year that ended last June 30. Of that, \$2.1 billion was spent for child nutrition programs and over \$4.7 billion for family food assistance.
- Family food assistance programs have shifted from use of alternative food stamp and food distribution systems to reliance on the Food Stamp Program as the principal method of providing food aid to needy families nationwide.
- Over 400 U.S. counties, which in 1969 had no program of food assistance for needy families, have come into the Federal food programs. Food assistance, in the form of either food stamps or food distribution, has been virtually 100 percent available to all areas for the past 4 years.
- The average number of people assisted through family food programs reached a plateau of some 15 million for 3 years in 1972, 1973, and 1974. With recession, the rise in unemployment, and the switch to food stamps in Puerto Rico, participation averaged 15.8 million for the first half of fiscal year 1975 and 17.4 million for the whole year.
- Food stamp benefits have increased from an average monthly food buying bonus of \$6.60 per person in 1969 to \$21.43 by June 30, 1975. By law, food stamp benefits must be appraised for adequacy twice each year and adjusted accordingly in order to keep allotments in line with food price changes.
- In the National School Lunch Program — oldest and largest of the child nutrition programs — the number of needy children assisted with free and reduced-price lunches has increased from 3.3 million in 1969 to 10.4 million in 1975. In total, the National School Lunch Program reached a peak of 25.4 million youngsters in fiscal year 1975.

Food Program Funding

Billions of Dollars



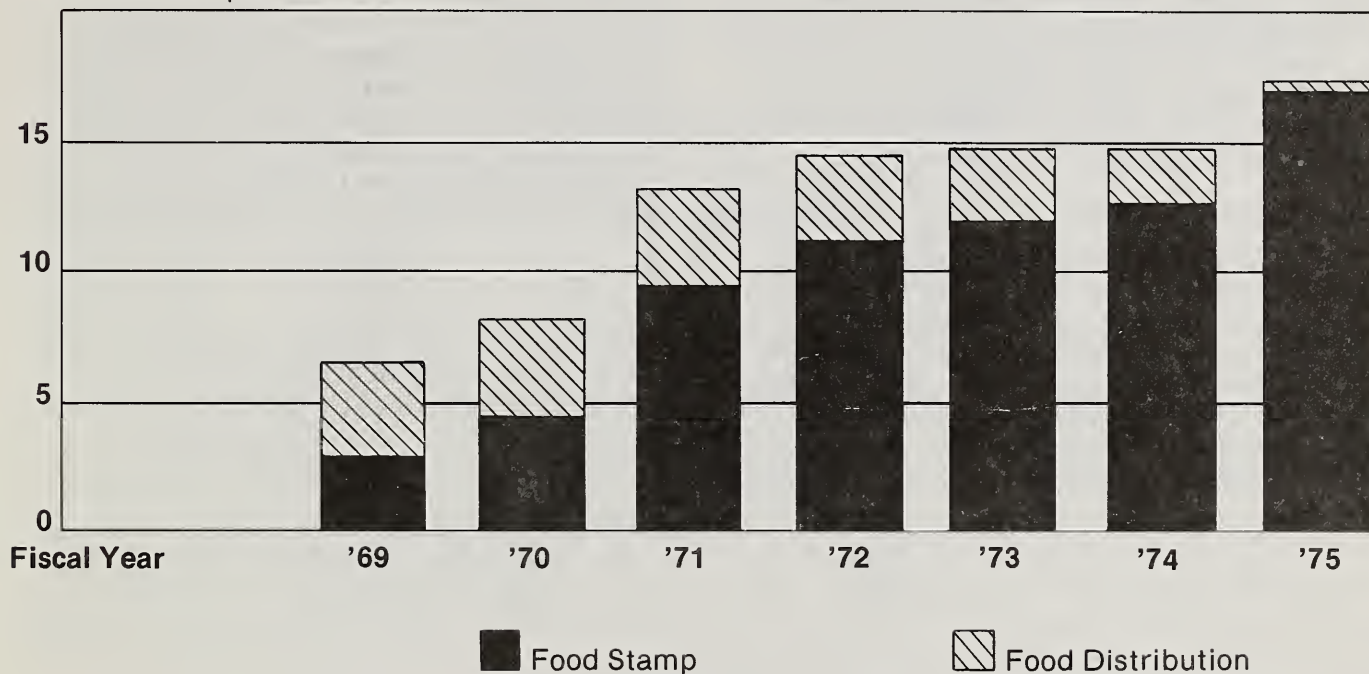
Note: Funding totals include program benefits and federal administrative costs.

■ Family Food Assistance

▨ Child Nutrition

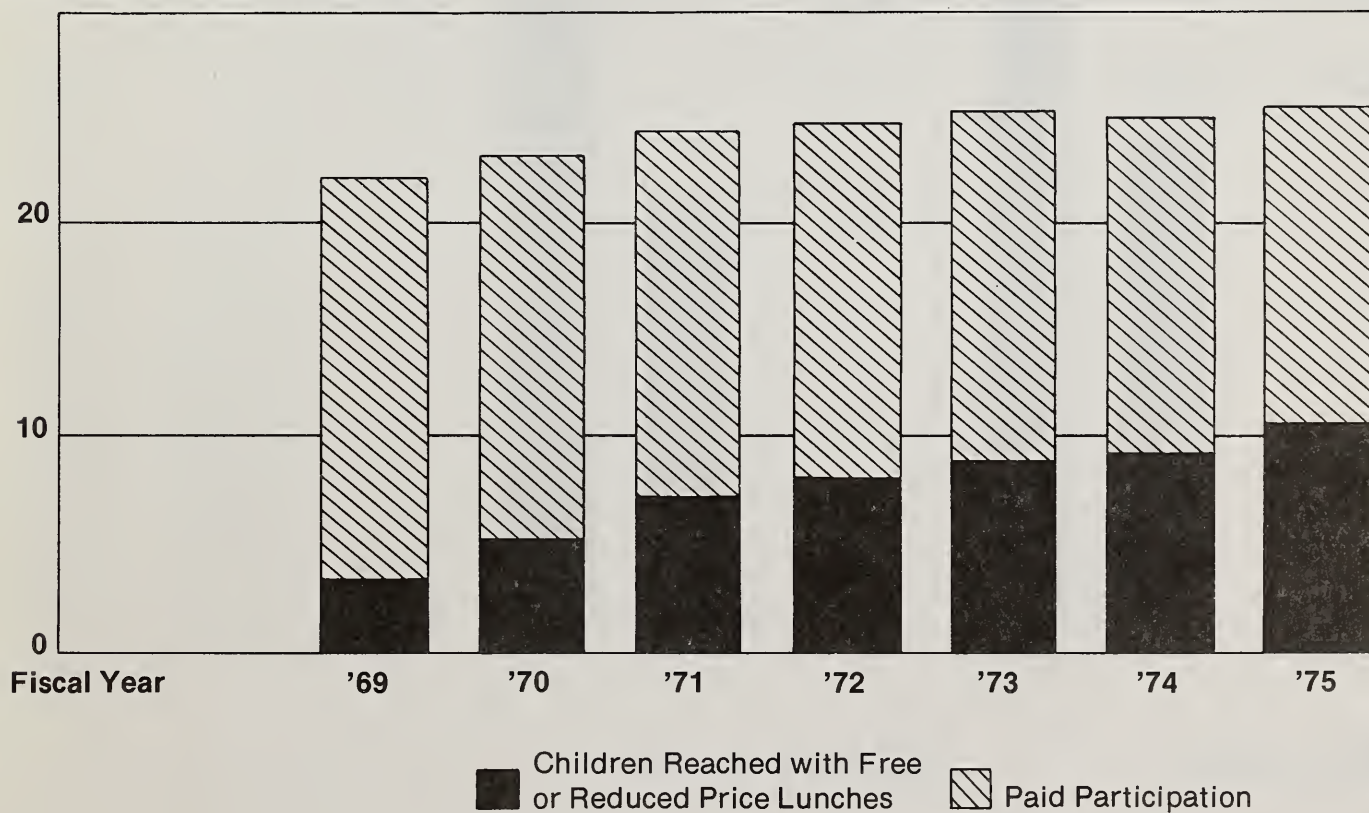
Family Food Program Participation (Average)

Millions of Recipients



National School Lunch Program Participation (Peak Month)

Millions of Children Reached



Family Food Assistance

Established as the primary means of family food assistance by the Congressional mandate of August 1973, the Food Stamp Program is now available nationwide and in most outlying areas. Thus, 99.5 percent of Americans receiving family food assistance in fiscal year 1975 were food stamp users. The rest were mainly Indians living on reservations, which have been granted an option to continue food distribution until June 30, 1977.

During fiscal year 1975:

- An average of 17.4 million people were receiving family food assistance, 16.8 percent above the average in fiscal year 1974.
- Federal payments for family food assistance totaled \$4.4 billion, up 53 percent over the previous year, reflecting increased food costs, the rise in unemployment, and the switch from food distribution to food stamps.

- In 10 States and territories, less than 5 percent of the population received family food assistance; in 30, between 5 and 9 percent; in 10, between 10 and 14 percent; and in 5, over 15 percent.
- Some 30,000 victims of natural disasters, such as floods, hurricanes, and tornadoes, received approximately \$1.2 million worth of food stamp aid. Less emergency assistance was required than in fiscal year 1974, when almost 150,000 people received over \$2.1 million worth of emergency food assistance.

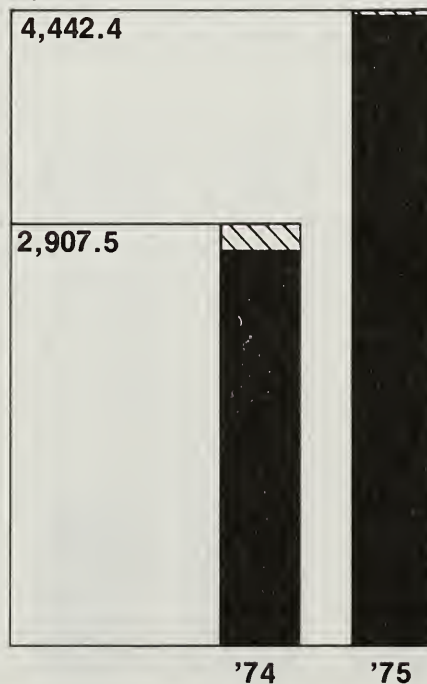
Average Monthly Participation
Millions of Recipients


Up 16.8%



Federal Contribution
Millions of Dollars

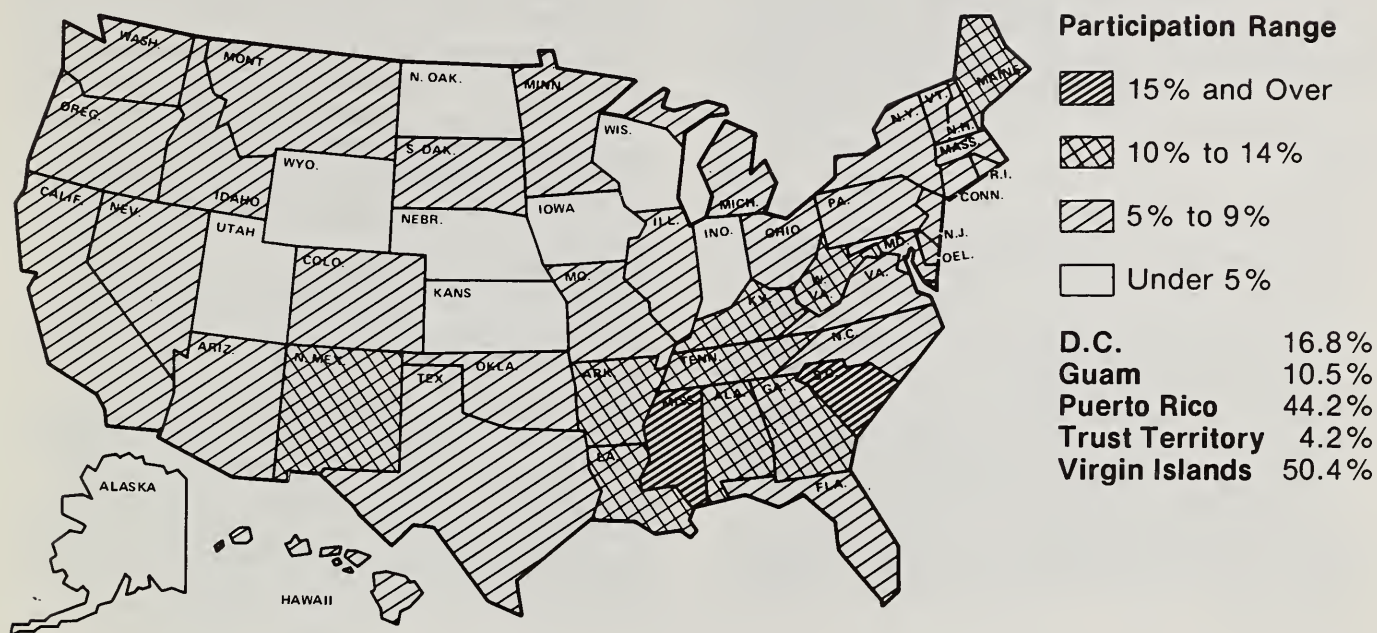
Up 52.8%



 Food Stamp

 Food Distribution

**Average Participation in Family Food Assistance Programs
as a Percentage of Population, FY 1975 (Preliminary)**



Food Stamp Program

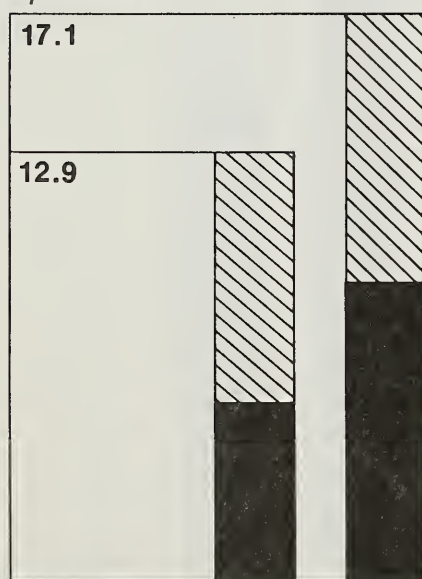
The Food Stamp Program began on a pilot basis in 1961 and became law by the Food Stamp Act of 1964. It enables low-income households to buy more food of greater variety to improve diets. Participants pay a specified amount of money, based on family size and income, and receive coupons worth more than they paid, which can be spent for food at participating stores.

In fiscal year 1975:

- The average number of people participating in the program was 17.1 million a month, compared to 12.9 million in fiscal year 1974. Participation was 19.2 million in June, 1975, the end of the fiscal year.
- Over 83 percent of the increase was among non-public assistance households, reflecting the impact of the rise in unemployment on food program participation. As a result, public assistance recipients dropped below half of the total food stamp caseload for the first time.
- Another major factor in the rise in program participation was the transition from food distribution to food stamps in Puerto Rico. This alone added 1.5 million people to the program.
- Recipients paid \$2.9 billion and received food stamps worth a total of \$7.3 billion, giving them a food buying bonus of \$4.4 billion, up 62 percent from the previous year. This reflects the increase in program participation and in benefits paid per person, due to the increased cost of food.
- Average monthly benefits per person increased 21.7 percent to \$21.43. Food Stamp allotments are adjusted semiannually according to changes in food prices.
- The number of outlets — mainly retailers — authorized to accept food stamps increased to 249,000, up 48,000 from the previous year. Included are some 3,100 nonprofit dining facilities for the elderly, in line with program changes permitting such operations to accept food stamps in payment for meals.

Average Monthly Participation
Millions of Recipients

Up 32.6%



Fiscal Year '74 '75

Public Assistance
 Non-Public Assistance

Federal Cost of Bonus Stamps
Millions of Dollars

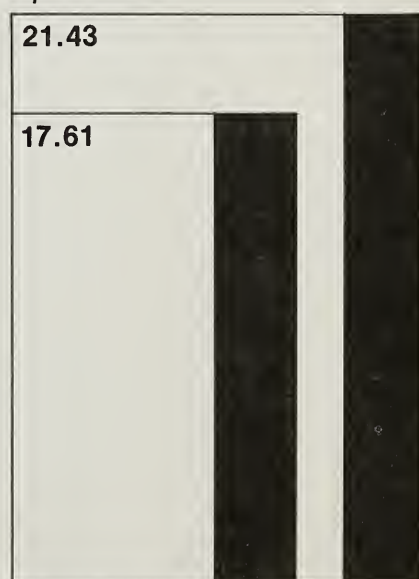
Up 62.0%



'74 '75

Average Monthly Benefits Per Person
Dollars

Up 21.7%



'74 '75

Food Distribution Program

Direct food distribution to needy families has virtually ended as a result of the 1973 Congressional mandate for a nationwide Food Stamp Program. However, Indian reservations were granted the option to continue food distribution until June 30, 1977.

Thus, in fiscal year 1975:

- Average monthly participation in the Food Distribution Program fell to 330,000 from 1,982,000 in the previous year.
- With the move to a nationwide Food Stamp Program, there remained 39 food distribution projects (including the Pacific Trust Territory) serving 88,000 needy people, at the end of the fiscal year.
- The Federal cost of foods donated to families totaled \$37.5 million.
- Recipients received a monthly average of 25.4 pounds of food per person, at a Federal cost of \$9.40. The food "package" included canned meat, poultry, corn meal, rice, fruits and vegetables, juices, milk, cheese, butter, and other staple foods.

Beyond the program for needy families, donated foods were also provided to:

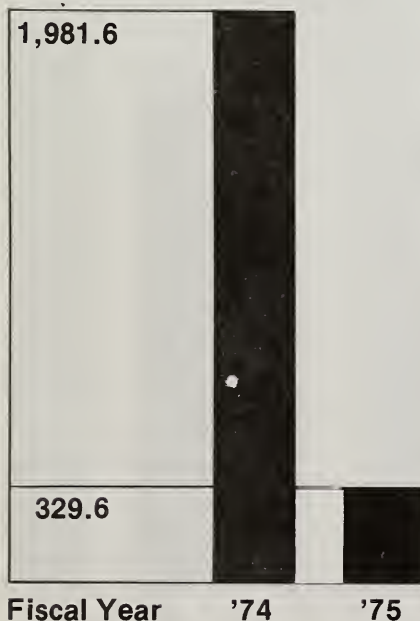
Institutions which provide meals to indigent patients and residents and to children in nonprofit summer camps. The value of food distributed during fiscal year 1975 totaled \$18.5 million.

Mothers and infants through Supplemental Food Programs. The Federal cost of these foods was \$17.4 million in fiscal year 1975. Participation averaged 132,000 persons a month, with the monthly cost of food per person averaging \$10.98.

Older citizens through Nutritional Programs for the Elderly, federally administered by the Department of Health, Education and Welfare. Recent legislation called for the provision of USDA-donated foods to these programs at a minimum level of 10 cents per meal, with annual adjustments in line with food price changes. In fiscal year 1975, \$1.9 million worth of food was distributed.

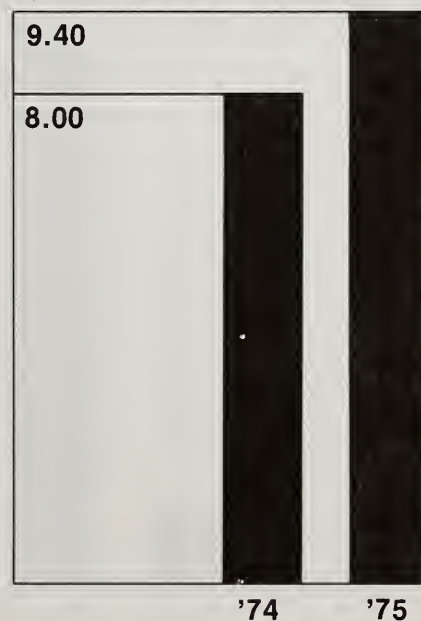
Average Monthly Participation/Needy Families
Thousands of Recipients

Down 83.4%



Benefits Per Person/Needy Families
Dollars
(USDA Cost Per Month)

Up 17.5%



Special Supplemental Food Program for Women, Infants and Children (WIC)

The Special Supplemental Food Program for Women, Infants, and Children (WIC) was initiated in January 1974. During fiscal year 1975, cash grants were provided to State health departments and comparable agencies to make supplemental foods available to pregnant and lactating women, to infants, and to children up to 4 years of age through participating health clinics.

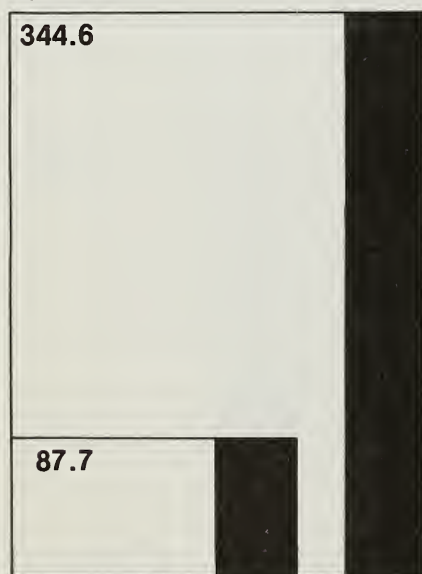
In fiscal year 1975:

- Average monthly participation was 344,000 persons, compared to last year's average of 88,000. In June 1975, monthly participation reached 497,000.
- Federal expenditures totaled \$82.1 million, compared to \$10.4 million the previous year. Food costs accounted for 85 percent of the total, administrative costs for 9 percent, and clinic costs for 6 percent.

- The cost of food per person averaged \$17.05 a month, an 8.7-percent increase over the previous year. Specified amounts of certain foods—such as iron-fortified infant formula and cereal, fruit or vegetable juices high in vitamin C, milk, and eggs—were provided through State-run delivery systems. Most recipients received vouchers, redeemable at retail stores, although some areas distributed food directly to people taking part in the program.

Average Monthly Participation
Thousands of Recipients

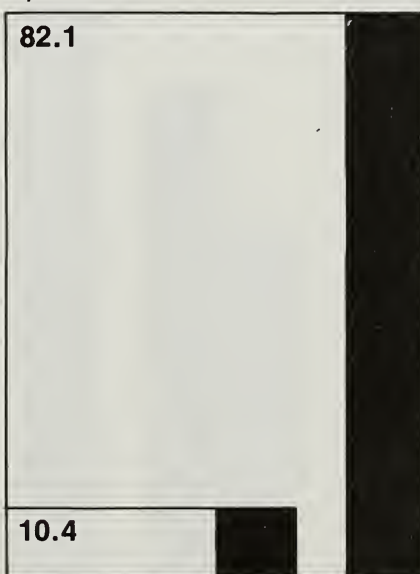
Up 292.9%



Fiscal Year '74* '75

Federal Expenditures
Millions of Dollars

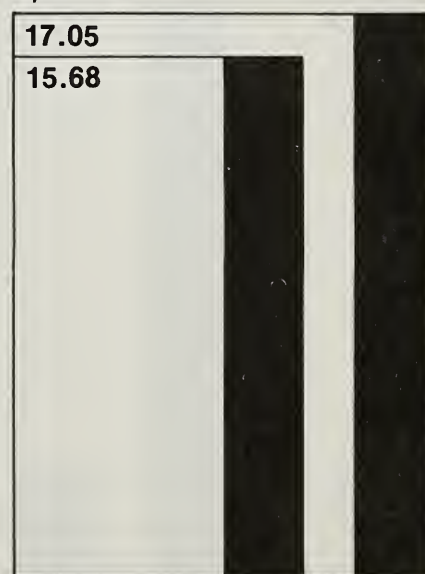
Up 689.4%



'74* '75

Average Monthly Benefits Per Person
Dollars

Up 8.7%



'74* '75

*Data is for last six months of fiscal year.

Child Nutrition

Through several Child Nutrition Programs, FNS provides cash and food assistance to help support food services for children in public and nonprofit private schools, child care centers, settlement houses, summer day camps, and recreation centers.

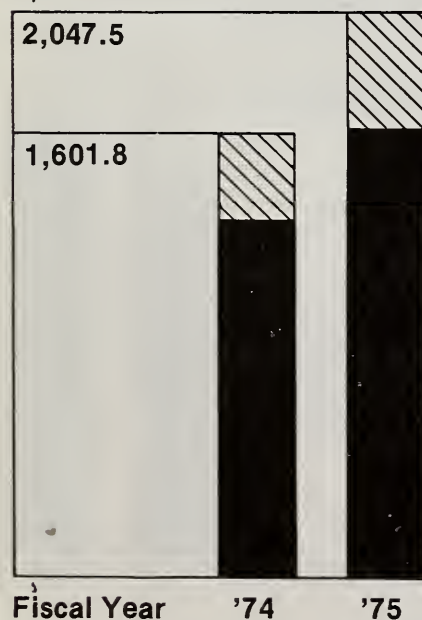
During fiscal year 1975:



- The total number of meals served in all Child Nutrition Programs amounted to 4.7 billion, up almost 7 percent from the 4.4 billion served the previous year. The bulk of the meals —4 billion— were served in the National School Lunch Program.
- The number of free and reduced-price meals provided increased from 1.9 billion in 1974 to 2.1 billion in 1975, a 10.5-percent increase.

- Federal payments for all Child Nutrition Programs totaled \$2 billion, of which \$1.6 billion represented cash apportioned to the States and \$432 million represented the Federal cost of donated foods. The total expenditure was 27 percent above that of a year earlier.
- Federally donated foods represented some 19 percent of the total \$2.2 billion worth of food used in federally aided school feeding programs.

**Federal Contribution to
Child Nutrition Programs**
Millions of Dollars

Up 27.8%



 Commodities
 Cash

National School Lunch Program

Oldest and largest of the child nutrition programs, the National School Lunch Program, was enacted in 1946 to assist the States in establishing, maintaining, and expanding nonprofit lunch service in elementary and secondary schools.

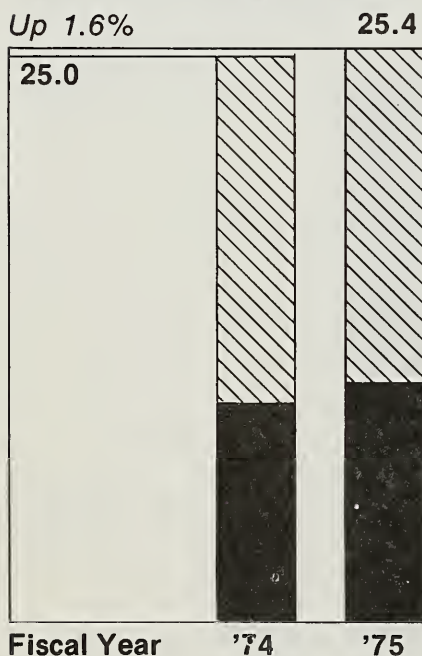
During fiscal year 1975:

- Nearly 88,500 schools took part in the program, almost 1,000 more than a year earlier. Thus, a school lunch program was available to 87.8 percent of the Nation's school enrollment, up from 86.4 percent the year before.
- School lunch participation increased, despite the steady decline in school enrollment. In fiscal year 1975, participation peaked at 25.4 million, representing almost 57 percent of the children enrolled in participating schools.
- Reflecting general economic conditions, the lunch program reached a larger number and proportion of needy children than the previous year. Free and reduced-price

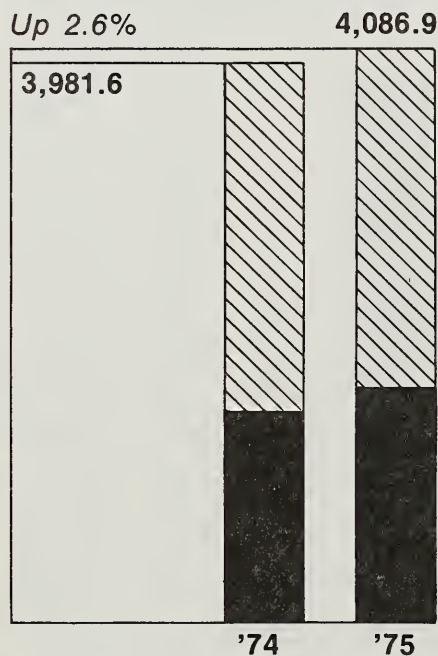
lunches reached 10.4 million youngsters, compared with 9.5 million in 1974. These lunches accounted for two out of every five of the four billion lunches served under the program.

The total cost of the National School Lunch Program was \$3.8 billion. The Federal contribution was \$1.7 billion or 45 percent. The remainder came from State and local contributions, including children's payments for lunches. The average Federal contribution per lunch totaled 41.6 cents—31.4 cents in cash and 10.2 cents in donated foods. That was 18.9 percent higher than the previous year, due in part to (1) new legislation setting the average cost of federally donated foods at not less than 10 cents per lunch and (2) the required semiannual adjustment in average reimbursement payments to keep pace with food price changes as reported by the Bureau of Labor Statistics for "food away from home."

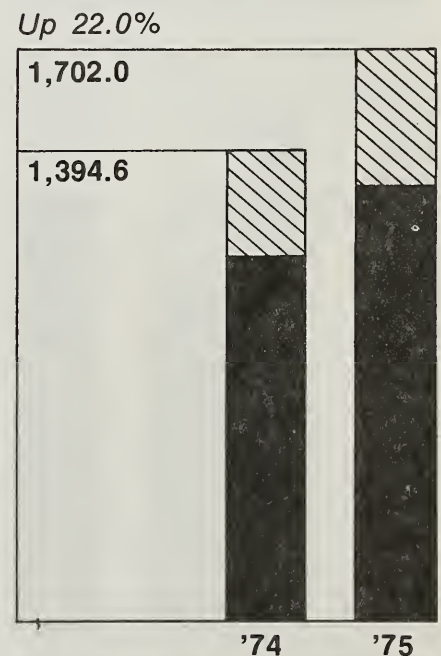
Participation
(Children Reached-Peak)
Millions of Recipients



Total Lunches Served
Millions of Lunches



Federal Contribution
Millions of Dollars



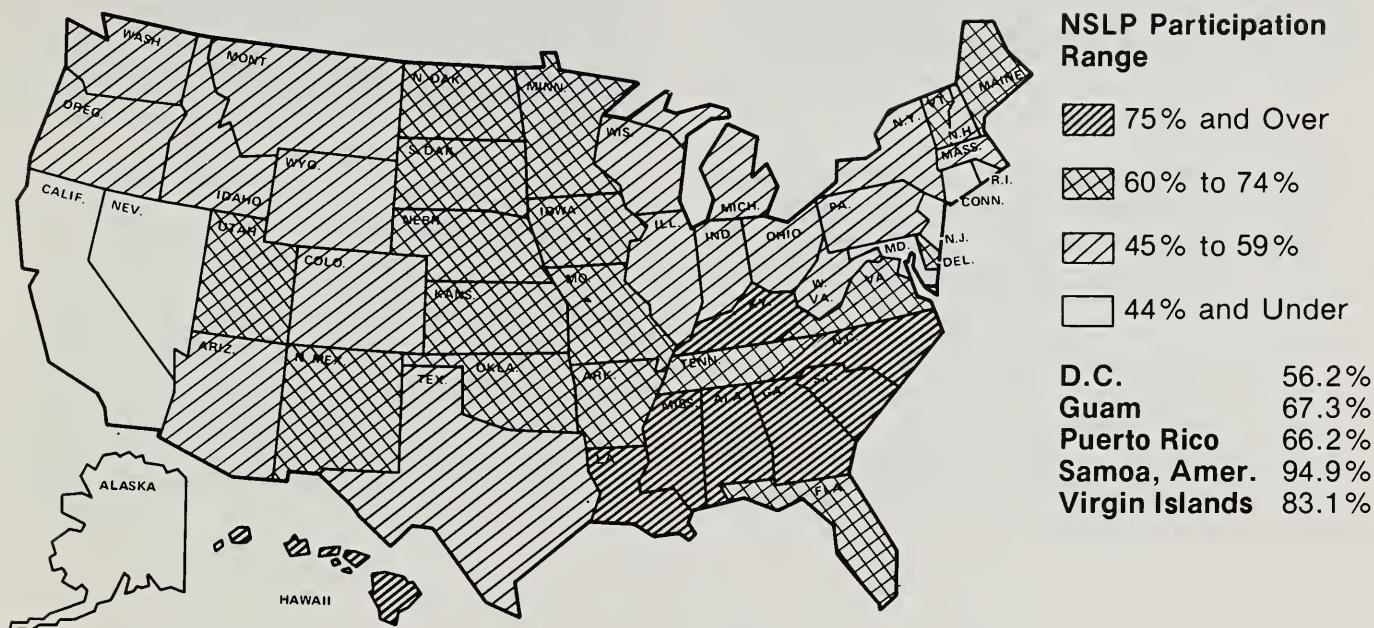
■ Free/Reduced Price

▨ Paid

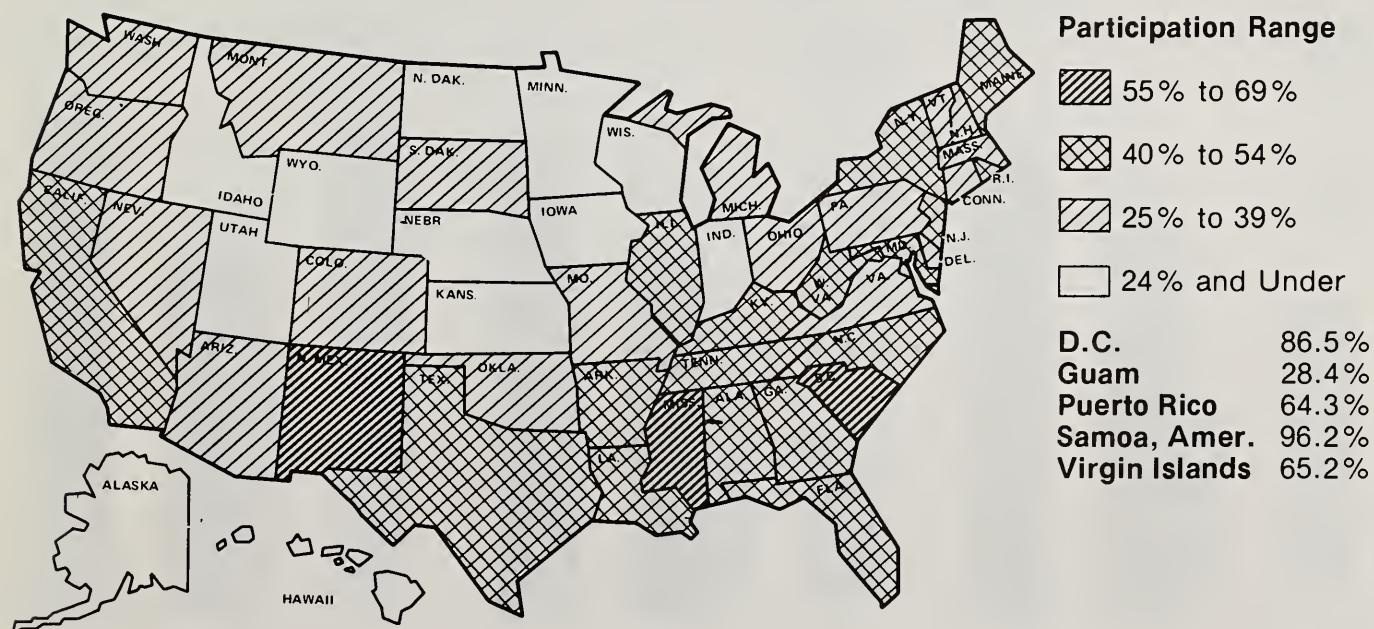
▨ Commodities

■ Cash

National School Lunch Participation as a Percent of Enrollment in Participating Schools, FY 1975 (Preliminary)



Students Receiving Free and Reduced Price Lunches as a Percent of Total Participation in the National School Lunch Program, FY 1975 (Preliminary)



School Breakfast Program

Authorized on a limited basis in 1966, the School Breakfast Program was made available in 1973 to all schools desiring it. The Federal Government provides cash and donated foods to States to assist in providing school breakfast service.

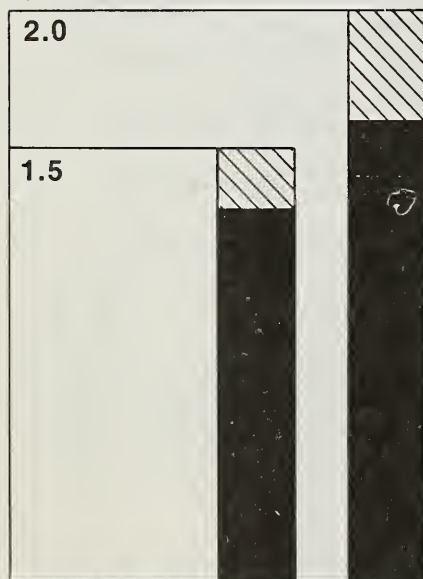
- The average Federal contribution per breakfast came to 32.2 cents, of which three cents represented the value of federally donated foods. The contribution is up 10.6 percent from the previous year, due in part to mandated semiannual adjustments of payment rates in line with food price changes.

In fiscal year 1975:

- The program reached 2 million children, 33 percent more than the previous year. Nearly 14,000 schools took part in the program, a gain of 2,000 schools from fiscal year 1974.
- Almost 83 percent of the 292 million meals served under the program were provided free or at reduced price to needy children.
- Federal contributions totaled \$94.1 million including \$8.8 million worth of donated foods and \$85.3 million in cash reimbursement payments. The total was 42.8 percent above the previous year's figure.

Participation
(Children Reached-Peak)
Millions of Children

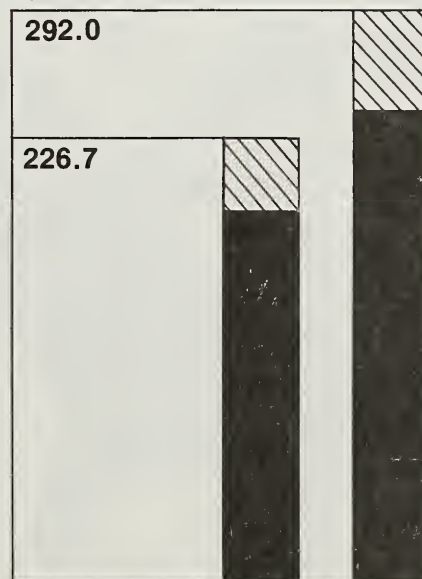
Up 33.3%



Fiscal Year '74 '75

Total Breakfasts Served
Millions of Breakfasts

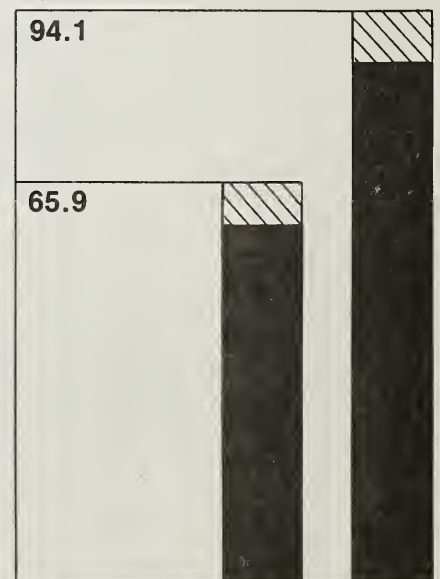
Up 28.8%



'74 '75

Federal Contribution
Millions of Dollars

Up 42.8%



'74 '75

Free-Reduced Price

Paid

Commodities
Cash

Special Food Service Program

The Special Food Service Program, started in 1968, provides assistance for meal service in year-round day care centers and Head Start programs, primarily for preschool children of low-income or working mothers. In summer the program provides nutritious meals to needy school-age children in parks, playgrounds, and recreation programs.

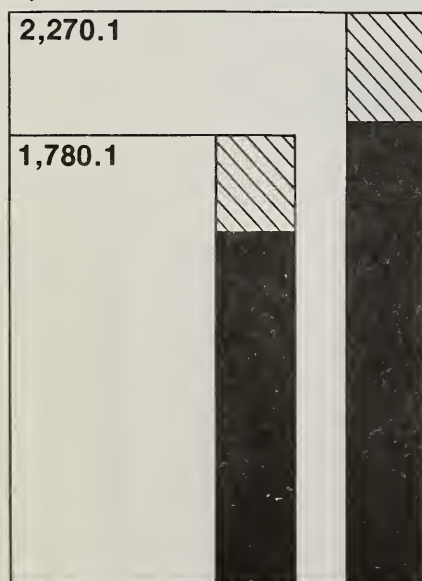
In fiscal year 1975:

- The summer phase of the program reached 1.8 million children, 400,000 more than the previous year, due primarily to increases in participation in larger cities. The year-round program served 440,000 children, a 17-percent gain over 1974. This is largely the result of the continuing transfer of responsibility for the food service activities of Head Start programs to the Special Food Service Program.

- A total of 311 million meals were served, 37 percent more than the previous year. Over 70 percent of the total was provided in the year-round program.
- More than 9,400 centers were involved in the year-round program and 12,500 in the summer activities, for a total 21,900. That compares with 19,000 during the previous year.
- Federal contributions increased 62.6 percent to \$105.5 million. The summer activities accounted for \$52.7 million, while the year-round program used \$52.8 million.

Average Daily Attendance (Peak)
Thousands of Children

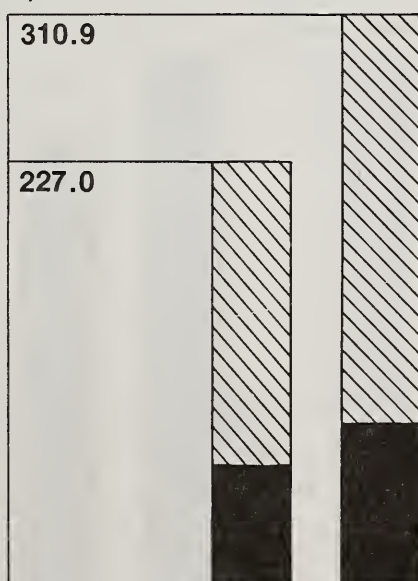
Up 27.5%



Fiscal Year '74 '75

Total Meals Served
Millions

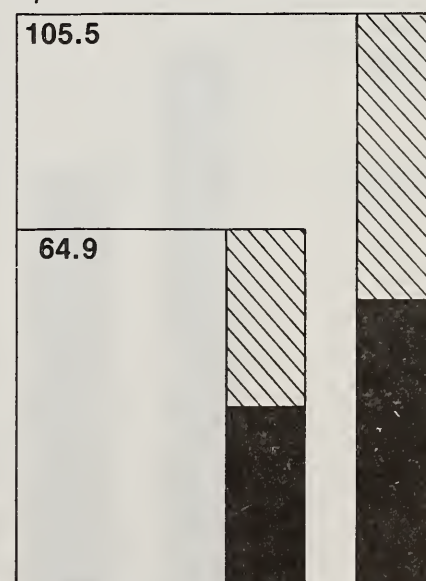
Up 37%



'74 '75

Federal Contribution (Including Equipment)
Millions of Dollars

Up 62.6%



'74 '75

■ Summer

▨ Year Round

Nonfood Assistance Program

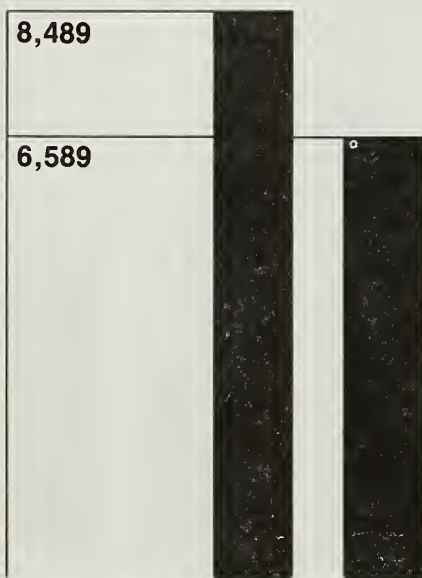
The Nonfood Assistance Program helps State educational agencies to finance food service equipment to enable schools in low-income areas to establish, expand, and maintain food service programs. Schools receiving the aid must take part in the National School Lunch or School Breakfast Programs.

In fiscal year 1975:

- Total average daily attendance at schools receiving nonfood assistance was 2.9 million children, as compared to 4.3 million a year earlier.
- A total of \$23 million was provided to assist 6,589 schools to buy equipment, of which \$10.5 million went to 1,006 schools that had previously been without food service.
- The average expenditures per school rose to \$3,494, an increase of 9 percent over fiscal year 1974. The average was \$10,485 per school in those starting new programs, and \$2,235 per school in those with existing programs.

Schools Assisted

Down 22.4%



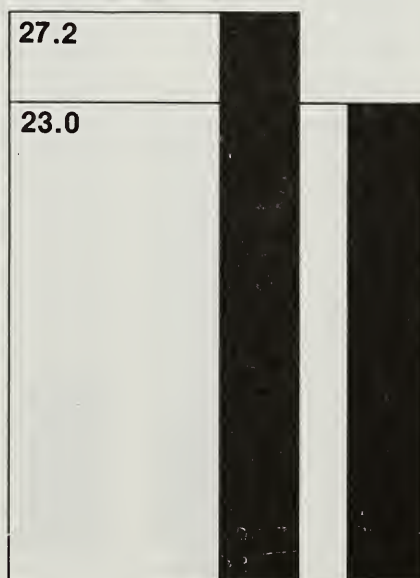
Fiscal Year

'74

'75

Federal Payments
Millions of Dollars

Down 15.4%



'74

'75

Special Milk Program

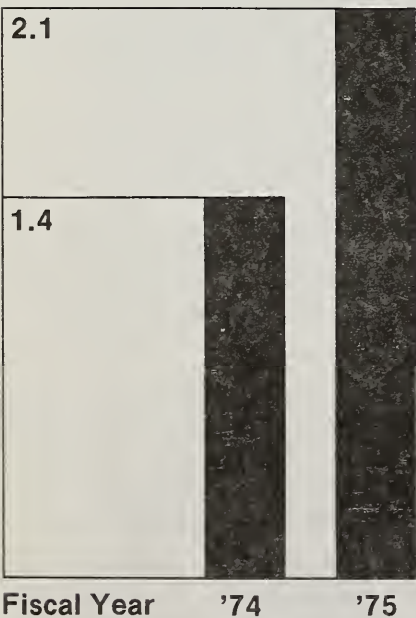
The Special Milk Program reimburses schools, child care centers, settlement houses, and summer camps for part or all of the cost of milk served, and thus reduces the cost to the children. This program is especially important where there is no regular food service.

In fiscal year 1975:

- Milk served under the Special Milk Program totaled 2.1 billion half pints, at a Federal cost of \$122.9 million.
- New legislation established a minimum rate of reimbursement of 5 cents per half pint served under the program and required the service of free milk—reimbursed at full cost—to needy children eligible for free meals.

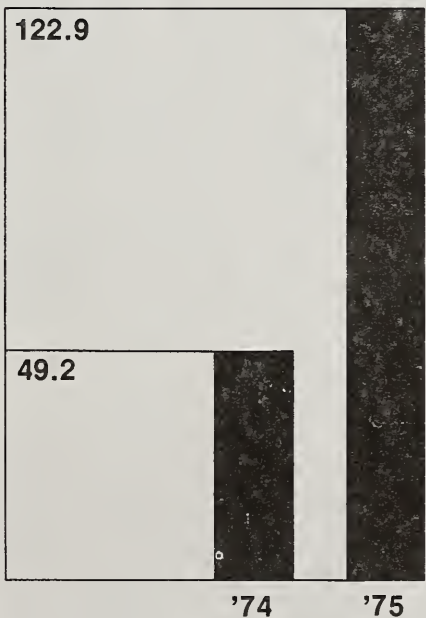
Number of ½ Pints of Milk
Billions of ½ Pints

Up 50%



Federal Payments
Millions of Dollars

Up 149.8%



Summary of Food and Nutrition Programs

Preliminary, FY 1975 (United States)

I - Total Federal Payments for all FNS Programs

	Cash	Commodities	Total	Percent of U.S. Total
Federal Payments (mil.)	\$ 6,111.7	\$ 507.7	\$ 6,619.4	100.0%

II - Availability of Child Nutrition Programs in Schools

	Total Public and Private Schools	National School Lunch		Breakfast		Nonfood Assistance	
		Number	Percent of Total	Number	Percent of Total	Number	Percent of Total
Total Schools	110,164	88,459	80.3%	13,938	12.7%	6,589	6.0%
Eligible Schools	109,678	*	*	*	*	*	*
Total Enroll. (000's)	50,961.9	44,753.6	87.8%	6,522.1	12.8%	2,947.0	5.8%
Elig. Enroll. (000's)	50,821.1	*	*	*	*	*	*

III - Child Nutrition Programs in Schools

Item	Total	National School Lunch Program	School Breakfast Program	Nonfood Assistance Program
Participants (peak reached) ¹	*	25.4	2.0	2.9
Receiving Free and Reduced Price Meals (peak reached) ¹	*	10.4	1.6	*
Total Meals Served ¹	4,378.9	4,086.9	292.0	*
Percent Free and Reduced Price	42.6%	39.8%	82.5%	*
Total Meals Served Daily ¹	25.2	23.4	1.8	*
All Federal Payments ¹	\$1,825.8	\$1,702.0	\$ 94.1	\$23.0
Total Program Cash Payments ¹	\$1,392.5	\$1,284.2	\$ 85.3	\$23.0
State Administrative Expense (SAE) ¹	\$ 6.7	*	*	*
Federal Cost of Commodities ¹	\$ 426.6	\$ 417.8	\$ 8.8	*
Total Value of Food Used ¹	\$2,226.6	*	*	*
Local Food Purchases ¹	\$1,800.0	*	*	*
Federal Prog. Payments (Excl. SAE) ¹	\$1,819.1	*	*	*
Per Child	*	\$ 67.01	\$ 47.05	\$ 7.93
Per Meal (cents)	*	41.6¢	32.2¢	*

¹All Numbers rounded to millions.

IV - Special Milk Program

	Total	Schools	Child Care Institutions	Summer Camps
Number of Outlets	87,969	82,665	1,616	3,688
Number of Half-Pints Served ¹	2,133.3	2,043.4	50.8	39.1
Federal Payments ¹	\$ 122.9	\$ 118.4	\$ 2.5	2.0

¹All Numbers rounded to millions.

*Not applicable.

V - Special Food Service Program²

	Summer Only	Year Round		Summer Only	Year Round
Number of Outlets (Peak)	12,519	9,413	Federal Payments ¹	\$52.7	\$51.4
ADA (thous. Peak)	1,829.7	440.4	Cash ¹	\$52.1	\$46.2
Total Meals Served ¹	87.2	223.7	Commodities ¹	\$ 0.6	\$ 5.2
Percent Free Meals	93.3%	88.8%	Per Meal (cents)	60.4¢	23.0¢

¹All Numbers rounded to millions.

²Excludes NonFood Assistance Funds which provided \$1,423,951 to 658 Outlets with ADA of 111,356.

VI - Special Supplemental Food Program (WIC)

Average Participation ¹	Value of Benefits ¹	Administrative Funds ¹	Monthly Avg. Benefits per Person
0.3	\$70.4	\$11.7	\$17.05

¹All Numbers rounded to millions.

VII - Food Distribution Program¹

Outlets	Persons Participating	Pounds	Federal Cost for Commodities
Schools (Pk. Participation) ¹	29.8	708.3	\$432.4
Sections 32 and 416 ¹	*	559.5	362.9
Section 6 ¹	*	135.6	63.7
Special Food Service ¹	*	13.2	5.8
Institutions (Pk. Participation) ¹	2.7	29.2	18.5
Year Round ¹	1.3	21.9	14.0
Summer Camps ¹	1.4	7.3	4.5
Needy Persons (Average Participation) ¹	0.6	156.8	56.8
Needy Families ¹	0.3	98.8	37.5
Supplemental Food ¹	0.1	52.9	17.4
Nutr. Prog. for Elderly ¹	0.2 ²	5.1	1.9 ³
TOTAL	33.1	894.3	\$507.7

Cash Assistance to States for Needy Family Program \$ 2.2

Total Program Cost (Cash and Commodities). \$509.9

¹All numbers rounded to millions.

²Represents average number of meals served.

³Represents value of food distributed.

VIII - Food Stamp Program¹

	Projects	Average Participation (millions)	Coupons Issued		
			Total (millions)	Bonus ² (millions)	Monthly Avg. Per Person
State Total	3,046	17.1	7,294.7	\$4,404.9	\$21.43

¹Does *not* include Food Certificate Program which provided \$681,450 for 7,877 participants in 3 project areas.

²Include Food Stamp Disaster Relief Program which provided \$1,167,178 for 30,134 participants in 18 project areas.

